

**Submission of the United States
Under the Bali Action Plan
Decision 1/CP.13
February 22, 2008**

The United States shares the enthusiasm of those who consider that the Bali Conference, particularly the Bali Plan of Action, constituted a breakthrough in terms of a global approach to addressing climate change. Among other things, Bali's pointing toward "measurable, reportable, and verifiable" nationally appropriate contributions from all countries is a welcome advance in the international community's approach to the issue. The United States looks forward to working intensively and collaboratively with other Parties within the Ad Hoc Working Group on Long-term Cooperative Action under the Convention (AWG-LCA) to successfully conclude an "agreed outcome" and adopt a decision at the fifteenth session of the Conference of the Parties (COP 15) in 2009.

As an overarching matter, the United States considers that the "agreed outcome" needs to be one that is environmentally effective, economically sustainable, and furthers sustainable development. Achieving these objectives will be a challenge. As just one example, environmental effectiveness requires national undertakings and review mechanisms that must strike a balance in that they must be serious and ambitious but not too onerous or unrealistic such they deter the participation of critical countries. Achieving this balance will require innovative and constructive approaches. Creative thinking will also be required for particular issues where past approaches may no longer be adequate.

The United States welcomes the opportunity to provide preliminary views of both a procedural and substantive nature and looks forward to learning from the views of others.

Procedural Views

Operative paragraph 7 of Decision 1/CP.13 instructs the AWG-LCA "to develop its work programme at its first session in a coherent and integrated manner." Given the limited time available for the AWG-LCA to complete its work, the United States believes it is crucial that Parties adopt its work programme at its first session. We propose that the AWG-LCA meet as often as is necessary over the five-day period March 31-April 4, 2008—both formally and informally—to accomplish this task.

It is our view that the AWG-LCA's work programme should include "what" needs to be addressed, "when," and "how."

In terms of "what" needs to be addressed, we believe the work programme should give appropriate and balanced emphases to each of the five elements identified in operative paragraph 1 of Decision 1/CP.13: (1) "A shared vision for long-term cooperative action, including a long-term global goal for emission reductions, to achieve the ultimate objective of the Convention, in accordance with the provisions and principles of the Convention, in particular the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors;" (2) "Enhanced national/international

action on mitigation of climate change”; (3) “Enhanced action on adaptation”; (4) “Enhanced action on technology development and transfer to support action on mitigation and adaptation”; and (5) “Enhanced action on the provision of financial resources and investment to support action on mitigation and adaptation and technology cooperation”. In this context, we suggest that the AWG-LCA provide in its first session an initial opportunity for Parties to discuss these elements to gain a common understanding of each.

In terms of “when,” we are flexible regarding the ordering of agenda items. We are also flexible as to whether all agenda items are taken up at every session. We should work to identify and clarify important issues early in the discussions.

In terms of “how,” the United States seeks to use the limited time for this process as efficiently as possible. As noted above, we believe it is crucial for Parties to agree on the AWG-LCA work programme at its first meeting and to spend subsequent efforts in substantive discussions.

Also in terms of “how,” we note that many delegations in Bali supported the usefulness of informal discussions in addition to formal negotiations. The United States sees value in this suggestion, recalling that the discussions under the Dialogue helped to create a common understanding and built confidence on a range of issues, and helped lay the groundwork for agreement in Bali. We are flexible as to how these informal discussions would occur. One possibility is through in-session workshops and other activities, as mentioned in operative paragraph 3 of Decision 1/CP.13. Targeted opportunities to discuss specific issues related to the negotiations (*e.g.*, sectoral approaches), perhaps with the participation of outside experts, could facilitate the exchange of views and sharing of information among Parties and thereby advance the negotiations.

We are also open to considering various approaches concerning the manner in which issues are discussed (*e.g.*, in one group or more than one group), provided related issues are appropriately combined. For example, funding and technology transfer issues would logically need to take place in the context of developing country actions, rather than in a vacuum.

In terms of efficiency, ongoing work streams on several issues (*e.g.*, adaptation, technology transfer, capacity-building, and developing country forests and land uses) need to be rationalized in light of the Bali Plan of Action.

In terms of both transparency and fostering an agreed outcome that is maximally acceptable, input from important stakeholders will be essential. Promoting a two-way dialogue with the UN at large will be a valuable component of ascertaining the contributions the UN system can make with respect to the various Bali elements.

In regards to other input into the negotiating process, the United States appreciates the recent remarks of the Executive Secretary concerning the anticipated contribution of the Major Economies Process in taking the Bali decisions “to the next stage” in a number of key areas. It may also be useful for the AWG-LCA to request input from other relevant processes, including, for example, processes under the Convention (such as requesting the co-chairs of relevant SBSTA and SBI agenda items to provide input on how those agenda items may relate to the

work programme of the Bali Action Plan) and outside the Convention (such as requesting the International Energy Agency to provide input on mitigation potentials in various sectors).

Substantive Views

Before turning to particular elements of the Bali Action Plan, the United States considers that it is important to step back from the specifics and consider the big picture: What are our objectives in designing an agreed outcome and what lessons can be learned from past experiences?

In our view, the structure and content of the agreed outcome should have certain design features:

- The agreed outcome needs to be **attractive** to countries, so that it invites, rather than dissuades, widespread participation – particularly from the world’s major economies. As such, it will need to accommodate a wide range of national circumstances and approaches. This concept is reflected in several places in the Bali Plan of Action.
- We are also convinced from past experiences that the agreed outcome should aim to be **simple** and **practical**. Complicated approaches can be time-consuming and have a chilling effect on both participation and implementation. In addition, not all actions have to be contained under the UNFCCC. The UNFCCC can and should facilitate and provide recognition for the results of domestic, bilateral, and multilateral activities undertaken elsewhere. In some cases, it may be most appropriate for some activities to be undertaken in other multilateral fora, in a manner consistent with the objective of the UNFCCC.
- As noted above, the agreed outcome should be **creative**. We should not be bound by previous ways of looking at things. In this regard, the outcome should be sufficiently flexible to permit new ideas and approaches to be introduced as they emerge over time.

It is also important to bear in mind the evolving context of these negotiations. The world in 2008 is different from the world in 1992 in important ways. Just as we take account of changes in science with subsequent IPCC reports, so should we take into account evolving global emissions and economic development trends, which are vitally important as we seek to ensure that this global issue is being addressed in an environmentally effective and economically sustainable manner.

Specific Substantive Views

Considering the Bali Action Plan elements in turn, the United States welcomes the opportunity to discuss a “shared vision” for long-term cooperative action, including a long-term global goal for emission reductions.

As noted in operational paragraph 1(a) of Decision 1/CP.13, the “**shared vision**” is to be drawn up in accordance with the principle of common but differentiated responsibilities and respective capabilities. This core principle from Article 3 of the UNFCCC stands the test of time, in that

the notions of “responsibilities” and “capabilities” evolve as the circumstances of countries evolve in the global economy, while the principle stays the same. (See points above about changed circumstances since 1992.)

As part of the shared vision, the United States strongly supports the identification of a **long-term global goal for emission reductions** to inspire actions at all levels. Such a goal should be realistic, and be calibrated by taking into account factors such as science and likely technology development and diffusion. The goal should not be used as a basis for burden sharing. In addition, we want to ensure that any long-term goal is cast so as to ensure that global economic development – the necessary antecedent of investments in climate protection – is not undermined, as underscored in Article 2 of the Convention.

Consistent with the Bali outcome, we see discussions on **mitigation** focusing on nationally appropriate actions that are measurable, reportable, and verifiable. Meaningful contributions from countries with a significant emissions profile will be critical to achieving an environmentally-effective outcome. The United States underscores that any future arrangement must reflect the desires of developing countries and indeed all countries to grow their economies, develop on a sustainable basis, and have access to secure energy sources.

The United States strongly supports the inclusion of **sectoral approaches** in an agreed outcome, both to ensure that such an outcome is able to capitalize on likely “win-win” opportunities in a number of sectors and as a way of providing flexibility for countries with different circumstances in contributing to the ultimate objective of the Convention. Disaggregating the climate challenge by sectors and sources will enable prioritization, facilitate agreement and allow Parties to focus on the specific technology and substitutes needs for each. Sector-based actions should involve a critical mass of Parties that account for most of the output of a particular sector and could take a variety of forms, depending on the sector and source. There are clearly a range of possible sectoral approaches that could be explored.

On **adaptation**, the United States notes that mitigation and adaptation are distinct issues with different actors and constituencies, both at the international and national levels. The mitigation effort is necessarily collective and designed to reduce the need for adaptation over time. Adaptation, by contrast, will occur at national, regional, and local levels, is an inherent part of development planning at these levels, and also involves countries or populations that contribute few greenhouse gas emissions. Article 4, paragraph 1 (e) of the Convention calls on all Parties to cooperate on adaptation, and the United States considers this an important component of the climate effort. We believe that discussions over the next two years can do much to orient actions at local, regional, national and global levels toward greater attention to adaptation, and to generate resources for these efforts for those countries that are most vulnerable to the impacts of climate change.

Technology development and deployment will be a decisive factor in how quickly and cost effectively climate change can be addressed. The United States is prepared to do its part in supporting and encouraging necessary advancements in technology. Countries need to dramatically scale up investments in technology research and development. The UNFCCC process should take a practical approach to considering mechanisms and tools for enhancing

technology research and development, recognizing that these mechanisms need not be contained within the Convention. The process should also consider practical means to overcome barriers to effective technology deployment, diffusion and transfer, including for currently available technology. One immediate opportunity that exists for all countries is the elimination of tariff and non-tariff barriers to clean energy technologies, which – it has been estimated by the World Bank – could increase trade in certain clean technologies by up to 14 percent annually, on top of the 18 percent average annual growth rate in world exports of these clean technologies since 2000. This would not be achieved in the UNFCCC, but is an example of how discussions on climate can catalyze progress in other areas.

Financing will also be critical to advancing climate solutions. Financing will not be limited to that under the UNFCCC financial mechanism, but will be generated outside the Convention – both domestically in developing countries and through bilateral and other arrangements – and will rest in large part on the effectiveness of investment environments and institutional arrangements in developing countries involved in the mitigation effort. In the future, we believe that financing for mitigation can support more comprehensive and coherent national actions initiated by countries as part of future arrangements. It will be important to find a way to maximize the opportunities available to undertake measures that are already available to all countries to reduce greenhouse gases at relatively low net economic cost, as well as those measures that have considerable local and national benefits to energy security, environmental improvement and pollution reduction.

Finally, the United States reserves the right, and respects the right of other Parties, to refine its views and introduce topics not yet on the table (noting the open-ended nature of the Bali Plan of Action).

The United States looks forward to a busy, intense, and essential period of negotiations to complete an agreed outcome by 2009.